



July 14, 2021

VIA ELECTRONIC SUBMISSION

Vanessa Countryman  
Office of the Secretary  
Securities and Exchange Commission  
100 F Street NE  
Washington, DC 20549-1090

**Re: Notice of Filing of a Proposed Rule Change to Amend FINRA Rules 1210 (Registration Requirements) and 1240 (Continuing Education Requirements), Release No. 34-92183, File No. SR-FINRA-2021-015**

Dear Ms. Countryman:

The Securities Industry and Financial Markets Association (“SIFMA”)<sup>1</sup> submits this letter in support of the Financial Industry Regulatory Authority’s (“FINRA”) proposal<sup>2</sup> to modernize its Continuing Education (“CE”) Program.

FINRA has proposed to amend the rules governing its CE Program, which requires registered persons of broker-dealers complete training on regulatory requirements (the Regulatory Element) and their firm’s business, including product offerings, strategies, and policies and procedures (the Firm Element), to maintain their license(s). FINRA – incorporating the Securities Industry/Continuing Education Council’s (“CE Council”) recommendations – proposes specifically to amend Rule 1210(a) to require the Regulatory Element be completed annually instead of the current every three years’ requirement, and to now be completed for each representative or principal registration held by an individual. FINRA also proposes to amend Rule 1210(b) to expressly allow training relating to the Anti-Money Laundering (“AML”)

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<sup>1</sup> SIFMA is the leading trade association for broker-dealers, investment banks, and asset managers operating in the U.S. and global capital markets. On behalf of our industry’s nearly one million employees, we advocate for legislation, regulation, and business policy affecting retail and institutional investors, equity and fixed income markets, and related products and services. We serve as an industry coordinating body to promote fair and orderly markets, informed regulatory compliance, and efficient market operations and resiliency. We also provide a forum for industry policy and professional development. With offices in New York and Washington, D.C., SIFMA is the U.S. regional member of the Global Financial Markets Association (GFMA).

We want to thank Marjorie Carter, legal intern in the SIFMA Office of General Counsel, for her contributions to this letter.

<sup>2</sup> Proposal to Amend FINRA Rules 1210 and 1240, Release No. 34-92183, 86 FR 33427 (June 15, 2021), <https://www.govinfo.gov/content/pkg/FR-2021-06-24/pdf/2021-13286.pdf>.

compliance program and the annual compliance meeting to satisfy the Firm Element. In addition, FINRA is making various other changes to the program, such as addressing CE inactive individuals.

Another significant change FINRA proposes is to provide eligible individuals who terminate any of their representative or principal registrations the option of maintaining their qualifications for up to five years by completing CE. This would be accomplished by providing such individuals an alternative means of staying current on their regulatory and securities knowledge following termination of their registration(s) by completing CE that matches the rigor of a registered person. This alternative method is significant because it provides individuals with flexibility to address life and career events and necessary absences while remaining current on securities industry knowledge.

SIFMA commends FINRA and the work of the CE Council on these proposed changes, which incorporate many of our comments<sup>3</sup> made over the years as changes to the program were contemplated. We appreciate that member firms are allowed greater flexibility to administer the Regulatory Element in conjunction with other training requirements and that Firm Element now recognizes the myriad other trainings that member firms provide to their registered persons. We are especially supportive of the option for eligible individuals to maintain their qualifications for up to five years by completing CE. We believe that this proposed change is one step in the process to achieving greater diversity and inclusion in the securities industry by reducing unnecessary barriers to reentry.

These changes, along with others detailed in the proposal and those to come, enhance and modernize the CE Program. We reiterate our support and urge the SEC to adopt FINRA's rule proposal in whole. We look forward to providing additional input to FINRA as it works with the CE Council to enhance the program in additional ways soon. If you have any questions or would like additional information, please contact us at (202) 962-7300.

Respectfully submitted,

*Kevin Zambrowicz*

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*Bernard V. Canepa*

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<sup>3</sup> See SIFMA Comments on RN 20-05 (Apr. 20, 2020), [https://www.finra.org/sites/default/files/2020-04/20-05\\_SIFMA\\_Comment.pdf](https://www.finra.org/sites/default/files/2020-04/20-05_SIFMA_Comment.pdf), and RN 18-26 (Nov. 5, 2018), [https://www.finra.org/sites/default/files/notice\\_comment\\_file\\_ref/18-26\\_sifma\\_comment.pdf](https://www.finra.org/sites/default/files/notice_comment_file_ref/18-26_sifma_comment.pdf)